



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

August 4, 2005

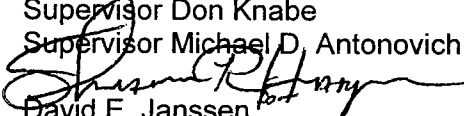
Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

To: Supervisor Gloria Molina, Chair
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich
From: 
David E. Janssen
Chief Administrative Officer

DEPARTMENT OF HEALTH SERVICES RECOMMENDATION TO APPROVE RETROACTIVE PAYMENTS FOR SERVICES PROVIDED AT VARIOUS FACILITIES (ITEM NO. 26, AGENDA OF AUGUST 9, 2005)

Item No. 26 on your August 9, 2005 agenda is the Department of Health Services' (DHS) request for Board approval of retroactive payments, totaling \$690,048 for services provided at Olive-View-UCLA Medical Center, Harbor-UCLA Medical Center, LAC+USC Medical Center, Martin Luther King, Jr./Drew Medical Center (MLK/Drew), Public Health Services and Health Services Administration.

Despite the retroactive nature of the payments, we approved placement of this item on the agenda for consideration by your Board as a policy matter, because the services obtained include direct patient care services and maintenance services deemed vital by the Department. Further, the Department is continuing efforts to eliminate these incidents and to take appropriate disciplinary actions when they do occur.

As indicated in the DHS Board letter, the majority of the services for which payment is requested occurred at MLK/Drew, primarily due to purchase order requests for services not being processed in a timely manner, while program staff moved forward with obtaining the services from the vendors. Over half of the unauthorized use ceased by the end of calendar year 2003, when the delay in processing was identified and corrected by the Interim Chief Executive Officer. Corrective action with regard to King/Drew management was taken previously and resulted in the removal of personnel from the facility. Similarly, corrective action has been taken at the other facilities, as appropriate, including retraining of staff on the requirements of the procurement process.

If you have any questions or need additional information, please contact me or your staff may contact Burt Kumagawa at (213) 893-9742.

DEJ:DIL
SAS:BK:bjs

c: Executive Officer, Board of Supervisors
County Counsel
Auditor-Controller
Director of Health Services